

**UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

GLENN A. LARSON and JUDY LARSON )	CASE NUMBER 07 B 09182
)	
Debtors, )	
)	
v. )	CHAPTER 13
)	
SPECIALIZED LOAN SERVICES, LLC, )	Honorable Judge A. Benjamin Goldgar
a Delaware Limited Liability Company; )	
FV-1, INC in Trust for MORGAN )	
STANLEY MORTGAGE CAPITAL )	
HOLDING LLC and MORGAN )	
STANLEY MORTGAGE CAPITAL )	
HOLDINGS, LLC, a New York )	
Limited Liability Company, )	
)	
Defendants. )	

**FV-1 AND MSMCH RESPONSE IN OPPOSITION TO DEBTORS' MOTION SEEKING  
SANCTIONS**

Defendants, FV-1, Inc. in Trust for Morgan Stanley Mortgage Capital Holding, LLC ("FV-1") and Morgan Stanley Mortgage Capital Holdings, LLC, a New York Limited Liability Company, ("MSMCH"), by their attorney, Todd P. Stelter, respectfully submit this Response in Opposition to Debtors Glenn A. Larson's and Judy Larson's (collectively, "Debtors") Motion Pursuant to Fed. R. Bankr. P. 9020 Seeking Sanctions ("Motion for Sanctions"), and state as follows:

### **FV-1 and MSMCH Join in and Adopt SLS' Response**

Debtors' Motion for Sanctions contains no allegations directly asserting or implicating any wrongful acts and/or omissions by FV-1 or MSMCH. All allegedly improper conduct argued in Debtors' Motion for Sanctions as to FV-1 or MSMCH is completely derivative of acts and/or omissions asserted against co-defendant, Specialized Loan Servicing, LLC ("SLS").

Therefore, FV-1 and MSMCH join in and adopt SLS' response in opposition to debtors' motion seeking sanctions, and request this Court deny Debtors' Motion for Sanctions for the reasons argued therein. *See* Doc. No. 112.

WHEREFORE, FV-1 and MSMCH, respectfully requests that this Court deny Debtors' Motion for Sanctions in its entirety, and for further and additional relief as the Court deems just and appropriate.

Respectfully submitted,

HINSHAW & CULBERTSON LLP

/s/Todd P. Stelter  
Todd P. Stelter

Todd P. Stelter  
Hinshaw & Culbertson LLP  
222 North LaSalle Street  
Suite 300  
Chicago, IL 60601-1081  
Telephone: 312-704-3000  
Facsimile: 312-704-3001  
tstelter@hinshawlaw.com

